

**OLYMPIC VALLEY PUBLIC SERVICE DISTRICT
FINANCE COMMITTEE MEETING
DATE: MAY 24, 2021**

Pursuant to the Governor's Executive Order N-29-20, issued March 17, 2020, the Olympic Valley Public Service District Community Room was not accessible for this meeting. All Directors and attendees participated via video/teleconference only.

Directors Present: Directors Katy Hover-Smoot and Victoria Mercer

Attendees: Jessica Asher, Board Secretary; Brandon Burks, Operations Manager; Mike Geary, General Manager; Danielle Grindle, Finance & Administration Manager; Jessica Grunst, Account Clerk II/HR Specialist; Dave Hunt, District Engineer; and Allen Riley, Fire Chief.

Call to order at 3:00 P.M.

Public comment – None.

Items reviewed by the Committee include the following:

D-1 Operating Account Check Register: Ms. Grunst reviewed the Operating Check Register numbers 48762-48823 and ACH payments. Staff provided an explanation of the payments greater than \$800 and gave a summary of electronic payments (ACH).

Check #	Name	Amount (\$)	Description
48762	A. Teichert & Son, Inc.	1,264	Road Base Patch Mix for Water/Sewer Repairs
48765	AmeriGas	5,890	Heating Fuel 1810 & 305
48768	CAL FIRE	7,959	Q4 4/1/21 - 6/30/21 Dispatch Services/Cooperative
48772	L. N. Curtis & Sons	5,260	FD Turnout Replacements/ PPE/ Fire Eq Contract
48773	Farr West Engineering	11,689	Sewer Rehab/Pressure Zone 1A/Painted Rock/Carville/West Tank Services
48776	Hunt & Sons, Inc.	1,890	Diesel & Regular Fuel
48778	Life Assist	1,186	EMS Supplies
48781	Placer County Environmental	3,910	305/1810/1621 SVR Hazmat Fee July 2021-June 2022
48782	Sierra-Sacramento Valley EMS Agency	1,100	Fire S-SV Provider Application Fee-FY 21/22
48787	U.S. Bank Corp Payment System	7,362	April Cal Card Payment (tuition, uniforms, travel, plumbing repair, subscriptions, internet, office supplies)
48790	Western Nevada Supply Co.	12,757	West Tank Capital Project CLA VAL/ Water & Sewer Parts

48791	AmeriGas	1,068	Heating Fuel 1810
48792	AT&T	1,840	Telephone- April and May
48795	California Rural Water Assoc.	3,000	Training Apprentice Program- Two Ops Employees
48801	ESO Solutions, Inc	2,995	6/1/21 - 5/31/2022 ESO EHR Suite Software- Patient Care Tracking
48802	Hunt & Sons, Inc.	1,825	Diesel & Unleaded Fuel
48804	Liberty Utilities	9,222	April Electric All Locations
48814	Springbrook Holding Co LLC.	8,466	Annual Maintenance 7/1/21-6/30/22 Utility, AR, Finance, Payroll
48818	Thatcher Company, Inc.	1,679	Caustic Soda- Water System
48819	Thomas S Archer	2,130	Carville \$1150-Billable and General Legal
48823	Vincent Communications, Inc.	996	Fire Department Radio Parts

There was a discussion about the cost of software subscriptions and staff discussed how the District has limited recurring costs to the maximum extent possible.

Ms. Grindle reviewed exhibits D-2 through D-7:

D-2 Operations Enterprise Fund, Revenue vs. Expenditure/Balance Sheet

The statement shows 83% of the year has elapsed. Revenue is at 98% of the budget and expenditures are at 79% of the budget. Compared to the prior year at this time, the District's net surplus is \$232k lower, which is mostly due making an additional payment to the California Public Employees' Retirement System (CalPERS). Ms. Grindle reviewed and explained selected line items of the Operations Enterprise Income Statement and Balance sheet.

D-3 Fire Government Fund, Revenue vs. Expenditure/Balance Sheet

The statement shows 83% of the year has elapsed. Revenue is at 96% of the budget and expenditures are at 85% of the budget. Compared to the prior year at this time, our net surplus is \$253,000 higher, which is mostly due to assisting in wildland fires. Ms. Grindle reviewed and explained significant line items of the Fire Department Income Statement and Balance sheet.

D-4 Capital Reserve Fund Balance Sheet/Income Statement

The income statement shows 83% of the year has elapsed. Revenue is at 102%, or \$4.1M and expenditures are at 84%, or \$3.1M. There were no new connections during the month of April. The District has received the Estimated Allocation of Property Taxes for Fiscal Year 2021, the total anticipated tax revenue, less any fees from the county, is estimated to be \$3,727,000.

The District received its second tax revenue payment, which totals approximately 95% of the total tax revenue with that last payment expected in June.

D-5 Combined Revenues/Expenditures/Balance Sheet

This report is for internal use only as a tool but is not intended to be an audited financial report. The report captures the District's position, including enterprise funds (Operations/Administration Dept.), governmental operations (Fire Dept.), and Capital Reserves. The statement shows 83% of the year has elapsed, revenue is at 106% and expenditures are at 82%.

D-6 Fund Balance Statement

The statement shows the highest yielding funds are Pro Equities Certificate of Deposit (CD) #2 at 3.10%. The Pro Equities Certificate of Deposit #3 is at 2.70% and Pro Equities Certificate of Deposit #1 is at 2.40%. Total funds on deposit are approximately \$9.2M. Ms. Grindle noted that staff will not be proposing to purchase a certificate of deposit (CD); a possibility discussed at the last meeting. There was a discussion about opening a 115 Trust which can be used for pension payments and is earning much higher interest rates than other accounts.

D-7 Bike Trail Snow Removal, Revenue to Expense

This statement shows 100% of the season has elapsed. The District has budgeted \$46,000 for this project and Placer County will be providing monthly payments split over the contracted winter months. \$46,000 has been billed to date. Approximately \$12,000 was expensed on labor, materials, fuel etc. The contribution to the FARF at the end of the year is estimated to be \$34,000.

Mr. Hunt reviewed the following progress payments and provided a brief update on each project:

D-8 Progress Payment – Farr West Engineering – West Tank Coating Project

D-9 Progress Payment – Farr West Engineering – Pressure Zone 1A Project

D-10 Progress Payment – Farr West Engineering – Sewer System Rehabilitation Project

D-11 Progress Payment – Professional Pipe Services – 2020 Sewer Television Inspection Project

F-2 Third Draft of FY 2021-2022 Budget and Rates

Mr. Hunt announced that the Placer County Water Agency Financial Assistance Program (PCWA FAP) awarded \$775,000 for the water meter replacement project and for an emergency intertie between the Squaw Valley Mutual Water Company and District's water distribution lines. Including this award, the active grants total almost \$900,000.

Ms. Grindle, Mr. Geary and Mr. Hunt provided a PowerPoint presentation on the Fiscal Year 2021/2022 Budget including proposed rates and charges; revenues; expenses; consulting projects; CalPERS unfunded accrued liability (UAL) payments for the Fire Department; debt payments; budgeted capital projects (west tank recoating, sewer rehab/replacement, water meter replacement, new water tender, Hidden Lake waterline loop and A79 to CO-A79A sewer replacement, Mutual Water Company intertie, zone 3 portable generator, regional training facility, turnouts and radios); and water, sewer and fire fixed asset replacement (FARF) balance projections).

Director Hover-Smoot suggested in the future it may be helpful to show historical budget trends and show more information about salaries and benefits.

F-3 Introduce Ordinance 2021-01 – Adopting Rates & Charges and Revised District Codes.

Ms. Grindle reviewed the staff report, this is an introduction and there will be public hearing and the Board will consider adoption in June. Rates increases are proposed as follows: Sewer 5%, Water 4%, and Garbage 3%.

F-4 Annual Review of Financial Investment Policy.

Ms. Grindle reviewed the staff report and proposed changes which were ministerial in nature.

F-5 Annual Review of Financial Reserves Policy.

Ms. Grindle reviewed the staff report. There are no proposed changes except for updating the District's name, which was changed from "Squaw" to "Olympic" by Resolution 2020-17.

F-7 Establish Appropriation Limits for Funds FD30144 and FD30146

Jessica Asher noted that in accordance with the Revenue and Taxation Code, Section 7910, a public hearing (which historically the District has noticed and held) is not required and will not be held. The Board will consider establishing its appropriations limit by Resolution at a regularly scheduled meeting and documentation was provided to the public fifteen days prior to the meeting as required. Ms. Grindle reviewed Resolution 2021-12, establishing an Appropriations Limit for Fund FD30144 for FY 2021-2022 and Resolution 2021-13, establishing an Appropriations Limit for Fund FD30146 for FY 2021-2022. Article XIII B of the California Constitution specifies that appropriations made by State and local governments may increase annually by a factor comprised of the change in population combined with either the change in California per capita personal income or the change in the local assessment roll due to local non-residential construction. The new appropriations limits for each fund are shown on the corresponding Resolution for consideration by the Board.

No further business coming before the Finance Committee, the meeting was adjourned at 4:30 P.M.

By, JA/DG